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The Age of Austerity or Socialism?

Introduction

The Socialist Party of Great Britain has a unique political position which separates us from the main capitalist parties on the one hand and the fringe capitalist parties like the Socialist Workers Party on the other.

And the unique political position of the S.P.G.B. is this:

The Socialist Party of Great Britain has no interest in government expenditure, budgets and the problems affecting the capitalist class and its politicians. We have no interest in the size and composition of the State; whether it is large, small or medium. And we have no interest in the burden of taxation falling on the employers. It is their social system and their problem to manage its contradictions, anarchy and absurd outcomes.

As Marxists we argue that the State is neither benign nor evil but an institution of class coercion. The primary function of the Capitalist State is to protect the private property ownership of the capitalist class. The existence of the capitalist State allows the Capitalists to exploit the working class, make a profit and prevent the means of production for being used to meet human need.

The sole interest of the SPGB is to work for the establishment of Socialism. The Socialist revolution requires the action of workers using the vote to send Socialist Delegates to Parliament with the expressed aim of gaining control of the machinery of government in order to replace capitalism with Socialism.

However, Socialism can only be established by the conscious and political action of a working class majority, i.e., those who have to sell their ability to work for a wage and salary.

A small number of Socialists cannot start a Socialist Revolution. A majority of workers have to understand and act upon their class interests. The establishment of Socialism has to be by the conscious political action of the immense majority of workers world-wide, male and female.

Regrettably, however, the working class currently has a low level of class consciousness. They politically act against their own class interest by voting into power capitalist politicians. They side with the sectional and national interests of the capitalist class. Workers are also divided amongst themselves. 45,000 people, a large number of them workers, recently sent e-mails to Downing Street to propose where the government should make cuts; many of those

suggestions if acted upon would have resulted in other workers being made redundant, having their benefits reduced or removed altogether. Hundreds more workers participated in the BBC's crass "*Spending cuts road-show*" (September 2010) calling for cuts to "*benefit scroungers*". All very sad. A divided working class can never establish Socialism.

There is a naïve view held by many workers that they have an interest in capitalism; that the State exists to look after their welfare and that the actions of a responsible politician is to frame social reforms to meet the needs of this or that section of the working class.

This is not the case. The capitalist State exists to serve the interests of the capitalist class. And one issue which many capitalists and their politicians have an interest in is the size of the State and its expenditure as they are forced to compete of the world market. Now that the Conservatives have secured political power with the help of the Liberal Democrats workers are being told that they are all going to share the burden of social pain in an "*age of austerity*" likely to last for a decade. Workers in the public sector earning more than £20,000 are being forced to endure a pay freeze for two years which, given inflation running at 3 percent, is in effect a pay cut. Workers will respond with strikes as they did in the 1970's.

Local Authority budgets have been cut and this reduction will make tens of thousands of workers redundant, some economists claiming the figure could be as high as a million over the next five years. Already civil servants are losing their jobs; 2000 jobs alone went at the Audit Commission in August of this year. And of course those on benefits will also see their income reduced. Another £4bn reduction was announced by the Chancellor, George Osborne in September 2010 to wild applause from the capitalist media and Tory fantasists who believe there are tens of thousands of "*lazy scroungers*" sitting in their armchairs during the afternoon watching THE JEREMY KYLE SHOW on ITV2. However unemployment is not a "*life-style choice*" as 45,000 Local Authority workers and 2,000 Royal Mail employees have recently found out when being made redundant. Unemployment is caused by capitalism. There is nothing pleasant having to claim the dole, look for a job and persist on government benefits.

The working class has been sold the case for an age of austerity by capitalist politicians on the grounds that the working class has some interest in capitalism in general and British capitalism in particular. Pain today comfort tomorrow they say. Tomorrow never comes. Workers have no interest in capitalism for a very good reason. Capitalism is a class divided society; a division between a capitalist class minority and a working class majority. The Capitalist class own the means of production –the raw resources, factories, communication systems, transport and so on and only engage workers in production if they are to expect a profit.

The working class does not own the means of production and have to sell their ability to work for a wage or salary. In the production process they are exploited by producing more social wealth than they receive in wages and salaries. This *surplus value*, as Marx called it is the source of the capitalist's unearned income of rent, interest and profit. A portion of this profit is used to pay for the infrastructure and administration of the Capitalist State.

This brings us to an important question. How is the capitalist class able to exploit? Why are workers not able to just produce or take what they need? And the answer is the existence of the capitalist State paid for and sustained by the capitalist class.

The capitalist State is neither a neutral social institution nor does it exist with a core imperative to deliver social welfare. Nor is the State a means to redistribute social wealth from the rich to the poor like some veritable Robin Hood.

The State is an institution of class coercion and physical and mental violence. The function of the State and the machinery of government; the armed forces, police, judiciary, prisons and so on are to protect private property ownership through parliament.

In defending the interest of the capitalist class the State will periodically break strikes and pass anti-trade union legislation. Government Ministers will routinely tell workers they are lazy and must work harder. And they will tell workers not to take pay increases and praise them when they take pay cuts.

The State also exists to prosecute war over trade routes, raw resources and spheres of strategic influence.

Capitalist politicians also lecture workers on thrift. The Conservative MP John Redwood in his contribution to the “*age of austerity*” told workers to use more fresh vegetables and less expensive processed food and wear a jumper indoors during the winter so that they can turn down the thermostat to reduce heating bills (DAILY MAIL 25.08.2010).

You can be sure Mr Redwood will not be taking these economy measures. He will continue enjoying the good life. There will be no austerity measures for Redwood and the class he represents.

Instead workers should refuse to get embroiled in the problems facing the capitalist class and their politicians and instead organise politically and consciously in a Socialist political party with Socialism and only Socialism as its objective.

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The Continuing War in Afghanistan

The war in Afghanistan continues with mounting military and civilian losses. Many people are against the war but very few put forward a Socialist case against the conflict.

The Socialist position is that all war in the modern world is caused by capitalism and that wars will continue so long as capitalism lasts. War and conflict, like the class struggle, are inherent within the profit system. And all wars are fought in the interests of the capitalist class. There are no just wars.

Socialists are opposed to war on the grounds of class. The working class has no means of production to protect nor any interest in the international rivalry between sections of the capitalist class and their politicians.

There are always wars being fought somewhere within capitalism. If you count all current conflicts where hostilities are still present and conflicts that have ceased hostilities but are still unresolved there are approximately 41 wars taking place in the world today (this does not include the on-going class war)..

These wars includes Afghanistan and Iraq, as well as conflicts like the Korean War that have tentative cease-fires in place. A fairly accurate list of current wars in the world can be found at:
www.globalsecurity.org/military/world/war/index.

Previous social systems to capitalism had war and conflict. The Peloponnesian wars, the crusades and other conflicts are well known. But modern war derives from the peculiarities and the economics of capitalism. Wars exist despite reform movements like CND or the formations of institutions like the United Nations; a contradiction in terms.

What of the anti-war demonstrators marching against the War in Afghanistan? They have marched now for nine years all to no avail. The marchers are divided amongst themselves. Some are there because they are religious, others take part to parasitically feed off the discontent of non-socialist workers ; others are there for ethical reasons. But none for the socialist reason for opposing the war on class grounds. War can only be ended by a socialist majority taking conscious political action to abolish capitalism.

And those demonstrating against the war including the leadership of the Stop the War Coalition (largely made up of the capitalist Left, Greens and radical Islamists) not exist for this purpose. Socialism requires no leaders and all religion is a sign of ignorance.

The destruction caused by war will not be stopped either by demonstrations or by well-meaning politicians. The cause of war, like all other social problems, has to be understood and politically acted upon by class conscious workers.

And an understanding of capitalism begins when workers start to realise that they exist as an exploited class within a class divided society where they have nothing in common with their employers but everything in common with workers elsewhere in the world. *Workers have no country* (Marx).

Nothing can be taken from workers which they do not own. Workers do not own the trade routes, spheres of influence, the world's raw resources and the means of production. They are a propertyless and exploited class.

Instead of demonstrations conscious political action is required by workers to remove all the conditions of war including the artificial boundaries which separate workers from each other around the world.

Only the establishment of Socialism can prevent war by abolishing the capitalist cause.

OUR FINEST MOMENT

In a pamphlet the Socialist Party of Great Britain dated October 1917 for a proposed International Congress in Stockholm to which delegates of the S.P.G.B. were prevented from attending by the British capitalist state the following concluding paragraph (taken from THE SOCIALIST STANDARD of July 1917) stated :

To the Socialists of other countries we extend our fraternal greetings. As soon as conditions will permit us to do so we shall endeavour to join forces with our Comrades for the purpose of establishing a Socialist international Congress where Socialist policies shall be decided, where misleaders and tricksters who use the name and fame of Socialism will be exposed and denounced, where the message of Socialism will be sent forth to the toilers of all countries in clear and unmistakable terms, where the gage of battle against the Capitalist Class will be thrown down to the clarion call :

WORKERS OF THE WORLD UNITE ! YOU HAVE NOTHING TO LOSE BUT YOUR CHAINS ; YOU HAVE A WORLD TO WIN

THE EXECUTIVE COMMITTEE, THE SOCIALIST PARTY OF GREAT BRITAIN 193 Gray's Inn Road,
London, W.C. 26th June 1917

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The Working Class and Exploitation Pt II

What is a Commodity?

The first question is: “*what is a commodity?*” We need to know what distinguishes it from a mere product. A commodity is first of all a product of human labour produced to sell which possesses both a use value and an exchange value. This double aspect; use value and exchange value is particularly relevant to our subject. The commodity's usefulness is self evident; a loaf of bread is for eating, clothes for wearing and so on. As Marx remarked:

“*...it makes no difference whether the usefulness satisfies some want which springs from the stomach or from fancy*”.

Use values must be produced in all forms of society; the usefulness of a thing is connected with its physical properties. This is not the case with the exchange value of commodities. However closely we may examine the physical properties of any commodity we will not discover its value; that is the value expressed in exchange as opposed to its value.

In order to get at what constitutes the value of a commodity –we can approach it by looking at two commodities in an exchange relation; two different commodities; say coffee and sugar where a given quantity of one is equated with

a given quantity of the other. This equation tells us that these two different things must be equal to a third which neither one or the other, therefore as exchange values they are reducible to this third thing. In volume 1 of CAPITAL, Marx quotes the Greek philosopher, Aristotle on this point:

“...exchange cannot take place without equality and equality not without commensurability”.

Exchange value must therefore be capable of being expressed in something common to both. So what is common to both of these very different products whose use values and physical properties have nothing in common?

Marx provides the answer. He wrote:

“...if then we leave out of consideration the use value of commodities; they have only one common property left, that of being products of labour. However even the product of labour itself has undergone a change in our hands...we make extraction from its use-value...it can no longer be regarded as the product of labour of the joiner, the mason, the spinner, or any other definite kind of productive labour...there is nothing left but what is common to them all’ all are reduced to the one and the same sort of labour, human labour in the abstract” CAPITAL. VOL II).

As values, then, they are products of labour but human labour in the abstract. And the magnitude of the value of any commodity is measured in time; socially necessary labour time.

Commodities requiring the same amount of labour time to produce are equal in value; the longer it takes the greater the value. Socially necessary labour time means the quantity of labour corresponding to current standards of productivity required to produce a given commodity. If, for example, a producer used out of date machinery requiring more labour time for the same kind of commodity its value would be governed by the current up-to-date method.

If, on the other hand, a company was able by using a newly invented machine to produce the same commodity with less labour time they could undersell their competitors and make surplus profit for a while until the majority of producers caught up and installed the new machines.

The value of a commodity expresses a portion of the total labour time society requires to produce it. This ensures that only socially necessary labour is expended. Socially necessary labour governs the value of commodities and is the law of value which Marx demonstrates in his Labour Theory of Value.

The Commodity; Labour Power

What relationship does the worker’s commodity –his labour power - have to the world of commodities generally? What part does labour power play in the capitalist system of commodity production for profit and class exploitation?

Labour power, like that of all other commodities, is governed by the same law of value; that is, its value is determined by the socially necessary labour time it takes to produce it. The value of labour power, therefore, resolves itself into the value of the means of subsistence which is necessary to keep the worker fit for the job for which they are employed and to enable to raise another generation of workers.

Different occupations require different skills, education, training and so on. The greater the skill and knowledge required for a job the more labour power costs to produce. Marx explains that special education or training costs an equivalent in commodities of a greater or lesser amount.

Labour power is the physical and mental energy which resides within the individual worker. The value of labour power therefore resolves itself into the value of the worker’s means of subsistence but it is not just the case of satisfying the workers basic biological needs.

The variety of necessary wants and modes of satisfying them are the products of historical development and therefore depend on the standard of living and degree of comfort and so on reached in a country at any particular

time. Therefore in contrast to other commodities there enters into the determination of the value of labour power an historical element. However in any given country, at a given period, the average quantity of the means of subsistence necessary for a worker is practically known. Also, the value of labour power must include an amount for bringing up the workers' children as the future workforce. This allows for a continuous supply of workers for exploitation by capital.

Exploitation is a process where workers produce commodities for the capitalist in which the commodities embody a value not paid for by the capitalist. To illustrate this point consider the following example. A capitalist invests his money as capital in raw materials, tools, machinery and so on for the use in the production of commodities with a view to profit. These means of production are bought as commodities on the market. Before production can take place the capitalist must also invest part of his capital buying labour power; the commodity the worker sells in exchange for a wage or salary.

We have seen that commodities have both use value and exchange value but the workers' commodity – labour power – has a use value which no other commodity has. It has the unique ability to produce value, not just value, but a greater value than itself.

When a capitalist employs a worker in the production process he supplies the worker with the necessary means of production to produce commodities. The worker will transfer the value of the materials used up in production to the commodities but at the same time the worker will add new value in converting materials into commodities. Part of this new value will replace the value that the worker is paid in wages. The exploitation consists in the fact that the worker produces more value than he is paid in wages. This additional value is called by Marx “*surplus value*” from which the profit comes for the capitalist.

We can see from the above example that it is from the new value created by the worker that the capitalist receives his unearned income. In WAGES, LABOUR AND CAPITAL Marx formulates the general law which determines the rise and fall of wages and profit in their reciprocal relation. He says:

“They stand in inverse proportion to each other. The share of capital (profit) increases in the same proportion in which the share of labour (wages) falls and vice versa. Profit rises in the same degree in which wages fall; it falls in the same degree in which wages rise”.

As mentioned already, we can see from this example that there is a conflict of interest between capitalist and worker. The capitalist is concerned with getting as much work for as little pay as possible and the worker must struggle to maintain or increase their wages and improve their working conditions. This struggle is inseparable from the wages system. The success or failure of the workers in gaining wage increases depends largely on the stage of the trade cycle –in a period when trade is booming workers may gain a rise but in times of recession and rising unemployment some workers may have to suffer a reduction in their wages as has been the case recently.

The standard of living for the British working class generally may have risen from the days when Marx and Engels were writing. Trade Unions have played a large part in this but the fact is, they try to limit the intensity of exploitation. They cannot abolish the cause. They want capitalism without the effects of capitalism. Marx warned about this conservatism in his pamphlet WAGES, PRICE AND PROFIT. He said:

“...the working class should not exaggerate to themselves the ultimate working of these everyday struggles, they ought not to forget that they are fighting with effects but not with the causes of those effects...that they are applying palliatives, not curing the malady”

The fact is, the working class does not have to put up with the wages system. Marx wrote that workers should understand:

“...that, with all the miseries it imposes upon them, the present system simultaneously engenders the material conditions and the social forms necessary for an economical reconstruction of society. Instead of the conservative motto: “A fair day's wage for a fair day's work” They ought to inscribe on their banner the revolutionary watchword, “abolition of the wages system”.

Are all workers exploited?

Are all workers exploited? Having explained exploitation as a process of extracting surplus value from workers in the production process the question may be asked; *“are those workers who are not employed directly in the production of commodities exploited?”* The answer to this question is that the working class is exploited as a whole since the production and circulation process are part of the whole reproduction process of capitalism. Marx gives an example in chapter 6 of the second volume of CAPITAL (*The Cost of Circulation* pp135). He takes the example of a worker who is a buying and selling agent. He writes:

“..he (the worker) performs a necessary function because the process of reproduction itself includes unproductive functions...but intrinsically his labour neither creates value nor product...his usefulness consists rather in the fact that a smaller part of society’s labour power and labour time is tied up in this unproductive function”.

Marx goes on to say:

“...we shall assume that he is a mere wage labourer...but he works part of the time for nothing...He may receive daily the value of the product of eight working hours. yet functions ten. But the two hours of surplus labour he performs do not produce value any more than his eight hours of necessary labour...”.

This example would apply to all workers not engaged directly in the production process. However, as Marx says, this work is necessary taking in account the reproduction process as a whole.

Consider a worker - say a gardener - who works for a capitalist, not in his business, but in a private capacity in his home. In this case the worker is paid wages for the use of his labour power but his wages are paid from the capitalist's revenue not from capital used for investment. If the gardener was employed by a firm of landscape gardeners his labour power would then be paid out of the capital to produce value and surplus value. However in all these cases the worker remains dependent on selling his labour power for wages in order to live. The worker does not own the means of production and like the rest of the working class he suffers the effects of exploitation. A world working class confronts a world capitalist class no matter what the division of labour or the country in which that labour is exploited.

Capitalists also own natural resources as part of the means of production such as oil, gas, minerals, land and so on, which they use as capital in the production process. Wage labour is exploited in the process of accessing these resources by exploration, drilling and the laying of pipelines. Capitalists rely on the machinery of government including the armed forces primarily made up from the working class. These workers are also exploited. Capitalism cannot function with armed forces to fight its wars to protect or gain control of these raw resources.

Capitalism is run from the top to the bottom by the working class which is a social process involving the whole interrelation of the various spheres of production and distribution. All workers must sell their labour power to the owners of the means of production. Therefore all workers are exploited. All workers work in excess of the socially necessary labour time contained in the commodities their labour will buy. Even unemployed workers have a function to play in capitalism. Capitalism needs a reserve army of unemployed ready for exploitation when capitalists wish to expand their businesses. The unemployed are also useful to capitalists as pressure on the employed section of the working class in keeping their wage levels in check.

Non-Socialists may argue that it is all very well criticising capitalism as a class system of exploitation and as the cause of such problems such as war, unemployment, poverty and so on, but what practical solutions do Socialists really have? How would Socialism abolish classes and exploitation or prevent unemployment, war and poverty?

In order to answer these questions we must recognise in all its significance the implications of changing the economic base of society. Socialism will be based upon the common ownership and democratic control of the means of producing and distributing wealth. These changed social relations of production would have far reaching effects on all other aspects of life. It means the abolition of classes as no other group will own the means of production to

the exclusion of all the others. Wealth would no longer take the form of commodities and there would no longer be production for profit. Instead production would be for the benefit of all members of society. As for war; it just simply would not happen. The competitive struggle between capitalist nation states, markets, trade routes, raw resources and so on would have been swept away with the change to a world-wide Socialist system of production.

Production for use instead of profit also implies that members of society will co-operate voluntarily in the productive process. This again would give rise to very different ideas and attitudes about work. Of course, work would no longer take the form of employment and therefore there would be no unemployment and the social pain unemployment causes. Workers as a class can never free themselves from exploitation so long as they allow capitalism to continue. It is impossible to have capitalism without exploitation but it is possible and necessary to have Socialism where no one would be exploited.

PROFIT - FROM WAR? Afghanistan is a country so poor it is hard to see why any government would think it worth fighting over, apart from its strategic situation. A meeting in London was held in June 2010 to promote Afghanistan as “*a money-making opportunity for investors*” (THE GUARDIAN, 15 June 2010). There are US and British geology reports of “*a potential 1tn bonanza of untapped mineral wealth*”, huge deposits of copper, iron and lithium, plus rare precious stones.

As Chinese-controlled firms are already involved, the US expresses concern about bribery and probable environmental damage. Hajigak, the biggest iron deposit in Asia is possibly worth \$350 bn. Shahrani, an Afghan minister said: “*To get the iron you have to cut a 3,500m mountain down to 2,500m.. Of course you are going to have environmental problems*” (ibid.).

For the US and British governments to claim to be concerned about mere environmental issues is rich: the same processes are cutting down the Appalachian mountains, with strip mining for coal riding roughshod over local people’s protests. And what of the costs, environmental and human, of war?

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Socialism: A Realistic & Practical Politics

Socialist ideas are often denounced as unrealistic, impractical and utopian; the politics of the impossible.

We are told that to be realistic we have to start with society as it is rather than what we would like it to be.

If this accusation had any foundation to it then perhaps Socialists have the wrong starting point. But we do not.

Socialists do start with society as it is. We begin with capitalism.

And when we question the credentials of our opponents to being realists we note that they have no understanding of capitalism; in fact they hold on to ideas and beliefs which show an utter disregard to the society in which we live.

Take the Labour party. They believe that they are a party of realists. But they begin with a hopeless set of political propositions two of which have a pernicious effect on getting to grips with very real social problems.

The first major misconception of the Labour Party is its belief that capitalism can be reformed and not only be reformed but reformed so that it is fair and equitable. The second major misconception is that they can initiate policies that can ensure economic stability, growth and high unemployment.

Put together both these misconceptions of capitalism sell the lie to the working class majority that capitalism can be run in their interests and that the political policies of enlightened government can solve social problems like poverty, social alienation and the disparity of wealth.

Yet the impracticality of Labour politics to solve the problems faced by workers is shown by their record in power.

Labour politicians claim to control the economy but Labour governments have endured “*boom and bust*”. Poverty continues to exist. There are still wars in the world one of which was initiated by a Labour Government. Unemployment has always been higher when Labour governments have left power than when they first entered office.

What of Socialists. We do understand capitalism. And our practical Socialist object and principles which we have adhered to since 1904 offers the only solution to the problems facing the working class; problems the Labour Party, a party of capitalism, does not exist to resolve.

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Do Governments Cause Economic Crises?

Desperate for support, many shallow critics of capitalism give to employers and politicians extraordinary powers they do not possess. Whilst it is always prudent not to underestimate your class enemy it is equally important not to overestimate them.

In his recent book “A COMPANION TO MARX'S CAPITAL” (Verso 2010) the academic, David Harvey, cites Professor Alan Budd who was, until recently, the short lived chairman of the Office for Budget Responsibility to the Chancellor of the Exchequer, Peter Osborne. Budd has been an advisor to several Tory governments as well as the Bank of England; a convinced Monetarist and supporter of free trade and free market capitalism.

During the trade depression of the early 1980's Alan Budd was chief economic adviser to Margaret Thatcher's administration. According to Professor Harvey, Alan Budd later confessed to THE OBSERVER in 1992 as to how ashamed he felt around his neighbours by the high levels of unemployment and social alienation caused by the Thatcher administration.

This is what Professor Budd said:

“...the 1980's policies of attacking inflation by squeezing the economy and public spending were a cover to bash the workers. Raising unemployment was a very desirable way of reducing the strength of the working class. What was engineered –in Marxist terms–was a crisis of capitalism which re-created a reserve army of labour, and has allowed the capitalists to make high profits ever since” (Quoted in David Harvey's: A COMPANION TO MARX'S CAPITAL pp. 284-285).

Professor Budd believed, with no evidence, that Thatcher and her government deliberately engineered an economic crisis and trade depression as part of the class struggle against the working class. He conveniently forgot that prior to Thatcher becoming Prime minister there was already a sizable industrial reserve army of unemployed in Britain with unemployment running over one million. And if he had studied Marx he would have known that economic crises are not engineered by governments.

Although governments do side with employers against workers in the class struggle the theory of governments causing economic crises and depressions is utterly remote from reality. It is sheer stupidity to believe governments and employers deliberately plan to create depressions. It is like saying that they want their profits to be lower and love to see employers going bankrupt. A form of economic masochism, if you like.

The idea behind the theory is that heavy unemployment brings wages down and therefore leaves a larger profit for the capitalists.

Of course this allows the Labour Party and the capitalist Left to paint the Tories as politically evil, callous and

unpleasant and their own reform policies as virtuous and commending of workers' attention. The Labour government has just spent the last 13 years attacking the interests of workers and it left office destroyed by an economic crisis it claimed would not occur again. If the government was all powerful why did capitalism ignore Gordon Brown's fatuous claims of taming the trade cycle so that there would be no more "*boom and bust*"?

Socialists have shown that a Labour government always leaves office with unemployment higher than when they first came into power. This is not to show Labour governments to be any more economically incompetent than the Tories. What it does show is that the Labour governments have been unable to do anything to prevent economic crisis and trade depression anymore than the Tories had had the power to engineer them.

Already the Labour Party is spuriously claiming that the Tory-Liberal Democrat Coalition is going to create "*a double-dip recession*" through government cuts in the same way that Budd believed the Thatcher government did by "*squeezing the economy and public spending*" during the early 1980's.

In the real world the time when profits are highest is during booms, when unemployment is lowest. In periods of expanding production total profits and total wages go up. In depression both go down but the fall in wages is almost negligible compared to the fall in profits. If the capitalists, or the government who act of their behalf, controlled the ups and downs of the markets –which of course they don't –they would plan to make the boom and full employment permanent. The last thing they want is the cost of keeping millions of workers idle, workers they would like to see busily at work producing profits.

What happens in the real world can be seen from the depression of 1979-1985. The table below compares the movement of total wages and salaries of the workers in employment ("*Income from employment*") with the total amount of the gross trading profit of companies.

Both totals are adjusted to take out the effect of rising prices, and the indexes show how they fell below the pre-depression level of 1979 (*National Statistics Office 2010*).

It will be seen that while "*income from employment*" fell by only 4 ½% (the 1982 figure) company profits fell by 30% (the 1981 figures). So you could draw the view-erroneous as it is –that Thatcher pursued a vindictive class war against the employers!!!

| Year | Total Income From Employment | Total Gross Trading Profits of companies |
|------|------------------------------|--|
| 1979 | 100 | 100 |
| 1980 | 101 | 80 |
| 1981 | 98 | 70 |
| 1982 | 95.5 | 74.5 |
| 1983 | 98 | 90 |
| 1984 | 99 | 97 |

The table below shows the number of company insolvencies from 1979 to 1985.

| Year | Number |
|------|--------|
| 1979 | 4,809 |
| 1980 | 7,343 |
| 1981 | 9,133 |
| 1982 | 12,691 |
| 1983 | 14,038 |
| 1984 | 14,327 |
| 1985 | 15,546 |

Of course we could look at Professor Budd’s belief that governments can determine trade depressions from another perspective. If governments have so much power why cannot they engineer conditions of good trade which they are desperately trying to achieve at the present? Governments can no more create periods of good trade than they can create periods of bad trade.

Governments and capitalists do not control capitalism. It is the other way around. Capitalism has its own laws which periodically result in economic crisis, trade depressions, bankruptcy and high levels of unemployment. The Left believe that when capitalism goes into crisis something has gone wrong. It has not. You cannot have capitalism without crises and trade depression.

The Left blame the current depression on the bankers, the tax evasion of the rich and so on. What they will not explain to the working class is that the problems workers face like periodic high levels of unemployment will exist while workers carry on voting into power capitalist politicians and instead not organising consciously and politically for Socialism. The capitalist Left do not exist for this purpose. As Marx showed in his exhaustive writings on capitalism, economic crises are one of the destructive contradictions of the profit system. Capitalism cannot behave in any other way.

As Marx noted:

...capitalist production moves through certain periodical cycles. It moves through a state of quiescence, growing animation, prosperity, overtrade, crisis and stagnation (WAGES, PRICE AND PROFIT in SW1, p. 440).

If politicians and their economists cannot predict economic crises –and professor Budd was an economic advisor to the then Chancellor of the Exchequer, Norman Lamont just prior to the debacle of the Exchange Rate Mechanism in 1992 – it does not mean that the working class has to continue to endure the economic and social consequences of unemployment anymore than other social problems like war, poverty and exploitation. Workers only remain entrapped within capitalism because they continually vote capitalist politicians into power. Instead, workers could take conscious and political action to resolve the problems created by capitalism by replacing the wages system with Socialism.

CRISES, UNEMPLOYMENT & CURRENCY COLLAPSE

Marx showed, and subsequent events have confirmed his analysis of capitalism's economic laws, that, arising from capitalism's inescapable anarchy of production, its progression is the cycle of moderate expansion of production and sales, then boom, then crisis, then depression. But just as there is no Keynesian device which will secure conditions of permanent boom, so there is no such thing as a permanent depression or "*collapse of capitalism*". (In the middle of *The Great Depression*" Frederick Engels, three years after the death of Marx did temporarily hold that Marx's cycle had ceased to operate and put forward a theory of "*permanent Depression*"; but events soon showed this to be wrong and returned to Marx's view –Preface to CAPITAL 1886)...In a depression, with bankruptcies which remove competitors, stocks of unsold goods disposed of, wages restrained by unemployment, and raw material prices and interest rates forced down, sooner or later conditions return restoring prospects of making a profit and capitalism expands again: but only to repeat the cycle.

There is, however, one kind of "*collapse*", a collapse of the currency if the excess issue is expanded to the point where the currency as Marx puts it "falls into general disrepute", and nobody wants to hold or receive paper money...Although he only half understood the problem, such a situation was foretold by Herman Cahn in his Collapse of Capitalism published in 1919. What he foretold as inevitable, like an "Act of Nature", was that "within a few years (or within a year if the war continued), there would be collapse and "social chaos", out of which, though the workers were not prepared for it, Socialism would arise...A currency collapse was at that time on the way in the Great German inflation...There was indeed "social chaos" while a new currency was issued and the conditions got back to normal. But chaos did not produce Socialism,. In Germany it helped prepare the way for the rise to power of the Nazi Party under Hitler (SPGB QUESTIONS OF THE DAY Inflation & Unemployment p 95-96)

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Buried Under Statistics

The Office for National Statistics (ONS) does not draw attention to how many capitalists there are and their actual wealth. If capitalists are described at all it is usually by reference to "employers".

Increasingly though statistics are being released of the "*economically inactive*" as part of a wider survey into the jobs market.

Figures released in September 2010 by the ONS showed that there were 9.26m economically inactive people in Britain at the end of July. It includes nearly 3m men and nearly 6m women.

Of course it is seized upon by the capitalist media to highlight the "*workshy*". What the DAILY HATE and the DAILY SPITE do not tell their readers is that 2.36 million are actively looking for employment but cannot find any jobs. This leaves a residual figure of 6.8 million.

Are these 6.8 million all workshy? Not at all. More than 2 million are students working very hard for entry into the labour market and future exploitation. Another 1.5 have taken "*early retirement*" which usually means they were forced out of their employment; a popular device for Local authorities and Corporate Businesses to get rid of expensive older workers and employ cheaper younger ones.

And nearly 2.3 million do not work (200,000 of whom are men) because they are at home looking after the family. Of course their partners could well be capitalists. This leaves 1 million. Are they all workers? Some are, ducking and diving to avoid employment; either eking out an existence on the Black Market or some other nefarious activity. Quite a small minority we would suggest.

However a number would be people not having to work at all because they are living off the unearned income of rent, interest and profit. What their number is remains unknown. They do not want to even pretend they are in “*employment*”. Some capitalists like Lord Rothermere, Richard Branson and the Murdoch’s pretend they are “*workers*” by entering the company payroll so they can add to their unearned income by drawing a “*director’s remuneration*”.

So how many capitalists are there? It is not in the remit of the ONS to give an answer so they remain buried under statistics. Of course the real issue is not how many capitalists there are but the fact that they own the means of production to the exclusion of the working class majority who are the real wealth creators in society. Instead of being buried under statistics the capitalist class, metaphorically, should be buried six feet below the ground.

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The Labour Party's Anti Socialist Record

At election time, the various capitalist political parties urge us to give them our votes. Unfortunately, none of them stand for the workers’ interests; none of them stand for ending the wages system and production for profit, or for establishing Socialism. The best that any of them are willing to offer is a list of piecemeal reforms. But that is just tinkering with capitalism, not ending it.

The fact that there’s hardly any difference between them raises the question: why is there a multi-party system? Lloyd George argued in 1910 that capitalism needed the two-party system as “*if the party system were destroyed, the class line must become the line of demarcation*” - clearly, something to be avoided at all costs. In the SOCIALIST STANDARD (June 1914), the Socialist Party of Great Britain pointed out that: “*When capitalist interests are threatened by the workers, both parties reveal themselves as one class*”.

As for reforms, another SOCIALIST STANDARD article in 1915 pointed out that, after umpteen decades of futile reforms, the workers were still no better off, again quoting Lloyd George (Cardiff, 1911):
There are millions of men and women in this country who through no fault of their own are suffering unnecessarily... who go through life sodden in poverty, wretchedness and despair... You have greater poverty in the aggregate than you ever had, you have oppression of the weak by the strong, you have a more severe economic bondage than you probably ever had before.

Yet when the 1914 war broke out, the Liberal government, supported by Labour and Tory MPs, had no problem about passing measures to increase funding for the armed forces, postpone payment of government debt and protect the banks, to guarantee dividends to railway shareholders, etc. As Socialists noted:

All this has been done in a few days, quickly, unanimously, and without discussion, by the two parties who were supposed to be enemies... They have now forgotten they are Tories and Liberals, but they never forget they are capitalists; and working in capitalist unison, they are moving heaven and earth to safeguard those interests now seriously threatened by ‘alien’ capitalists abroad. These things show they CAN move when they like. Why was it then that for over 6 years they deliberately refused to feed half-starved children on non-school days or increase the miserable half-penny rate allowed for food? Why did this government break its own signed agreement with the London Dockers, driving them back, with the use of armed force, to harsher conditions; refuse to concede miners the minimum wage of 5s. a day, or give dock navvies 6d. an hour - while giving MPs £8 per week?”
The Futility of Reform, SOCIALIST STANDARD, February 1915

Under capitalism some things never change. Whichever party is in power, all governments keep workers' pay as low as possible.

But it is quite OK for MPs to look out for themselves and feather their own nests. As for instance, when Labour politicians Stephen Byers, Patricia Hewitt and Geoffrey Hoon shamelessly touted for '*consultancy*' work, claiming that for a mere £3,000 a day they could lobby their contacts, people in the corridors of power, to assist their business clients. Byers famously described himself as being like "*a cab for hire*": All of these were former Labour government ministers, all were then being paid a handsome salary - plus 'expenses', and all were about to stand down from Parliament, with guaranteed pensions.

When Stephen Byers described himself as being "*like a cab for hire*", that was close to the truth: he was acting like a mercenary, one of capitalism's hirelings, which is a fair description of the Labour Party's role. As former politicians queue up for jobs, their going rate is a lot more than it was in Lloyd George's time. That £3,000 a day figure is small beer compared to what the former Prime Minister Tony Blair gets from trading on his connections. He is thought to have made over £20 million since leaving office.

After 13 years under Labour government, with at least five wars, two of them still costing lives daily, the issues raised in that 1915 SOCIALIST STANDARD article remain. There is still that same disgusting contrast. On the one hand, capitalist politicians furthering their careers, make available vast sums to fund wars and to protect bankers and speculators. They are however most reluctant to agree to any modest proposal to alleviate the misery of the working-class poor.

In government, all parties fight tooth and nail against any group of workers who dare to go on strike, even using armed force against them. This year, workers at British Airways have been on strike, in spite of vicious intimidation from the management and the hostility of most politicians. But striking workers find no friends among elected MPs, especially not from Labour, anxious to curry favour with the capitalist class.

We recall how, in the run-up to the 1997 election, Gordon Brown and Patricia Hewitt did the "*prawn cocktail circuit*": this meant endless schmoozing in the City with investment bankers and hedge fund managers, reassuring them that when elected New Labour could be counted on to be "*responsible*", to understand their concerns.

The Blair-Brown New Labour government was mean and stingy with its '*targeting*' of any form of state help to members of the working class. This was increasingly done on a means-tested basis, and many state welfare payments, pensions etc, lagged behind the rising cost of living. But there was always money to be found for warfare: Gordon Brown boasted that while Labour was in power, he had increased spending for the armed forces, year after year.

So, while pensioners, the unemployed and the disabled had to struggle to get by, at the same time we learned that MPs and former ministers, people trading on their connections, could expect £3000 or more, not per month but per day! "*It's not what you know – it's who you know that counts.*"

Socialists have always seen the Labour Party as especially contemptible and opportunistic. No Socialist would touch the Labour Party with a barge-pole. From the first, the SPGB was clear about Labour's reformist opportunism. Like the Independent Labour Party, the Labour Representation Committee, which later became the Labour Party, was in the habit of forming election pacts with the Liberal Party. As to what exactly the Labour Party actually stood for, this was left as vague as possible. At Labour's Newcastle conference in 1900, Keir Hardie argued: "*they did not want Toryism, Liberalism, or Socialism, only Labourism.*" (quoted in THE MANIFESTO OF THE SOCIALIST PARTY OF GREAT BRITAIN, 1905, p30). '*Labourism*' however remained undefined.

There was a strong religious stench about that early Labour Party. Stephen Timms, till recently a Treasury Minister, said in a speech (28 September 2009):

"The Labour Party at its foundation in 1900 was a coalition of Marxists, Christian Socialists [sic] and Fabian middle class [sic] intellectuals. A historian famously claimed that the Labour Party owed more to Methodism than Marxism. The founder of the Labour Party, a patriarch in Labour's history, Keir Hardie, wrote in his diary in 1877

at the age of 21: 'Today I have given my life to Jesus Christ' “.

In his book, NEW BRITAIN: MY VISION OF A YOUNG COUNTRY, Tony Blair set out New Labour's principles, with a whole chapter on his Christian faith. He wrote that the self-interest championed by the Conservative Party clashed with Christian belief. This was rather ironic, as Blair was and is a keen practitioner of the 'greed is good' gospel of 'enlightened self-interest'.

The SPGB saw from the start that the Labour Party was clearly not a Socialist Party. It was not based on an understanding of the class struggle, the basic conflict of interest between capital and labour, and the endless conflicts between employers and workers - a conflict of interests which can only be ended through democratic, class-conscious political action for Socialism and *only for Socialism*; in short, by revolutionary democratic political action by the working class to free itself of this worldwide system of class exploitation.

At the 2010 election, British workers were yet again urged to vote Labour “*to keep the Tories out*”. Little has changed - the same stupid argument was being used by Labour over 100 years ago. But as the SPGB argued then:

Of two evils choose the lesser, we are told; but... between the Liberal and Tory on the one hand, and Liberal-Labour on the other, the choice is between the devil and the deep blue sea.

SPGB MANIFESTO, 1905, p34

As treachery and compromise were in the Labour Party's DNA from the start, there is no way such a party could be of any use to the working class in organising to rid itself of the capitalist class system. So, elections where workers are only given a sham choice between Tory, Labour or Liberal candidates, as their potential representatives, these are as pointless as trying to choose between siding with Tweedledum or Tweedledee.

Such parties do not represent the workers' interests. Where wars and strikes are concerned, they all agree with each other. They tell us that this or that war is “*in the national interest*” and has to be supported, but all strikes are invariably denounced as ill-judged, badly timed, utterly unjustifiable - in Gordon Brown's words, “*the wrong strike at the wrong time*”, and so against the 'national interest'. This so-called 'national interest' is a standard politicians' evasion. The phrase deceptively suggests a unity of interest on the basis of 'nationality' but denies the reality of the class struggle which is worldwide, transcending national boundaries.

For instance, in the 2010 British Airways cabin crew strike, BA management had support from its competitors, including an Irish airline, Ryanair. The union involved, Unite, likewise called on trade unions and workers in many other countries, for support. The fact is that the class struggle is real. There is an inevitable clash of interests between the interests of capital and the workers, a conflict that is especially acute in times of economic crisis and rising unemployment, when managers feel they can impose harsher conditions on workers, arguing that workers must tighten their belts or lose their jobs.

The reality behind this pretext is that forcing workers to take less pay, work longer hours and so on, is done to safeguard company profits, shareholders' dividends and managers' bonuses. Labour is a capitalist party: this explains why it is that, though trade unions have misguidedly supported the Labour Party from the start, the Labour Party, when in government, never supports the unions against the employers.

Labour's claims to be a Socialist party

From the start, the SPGB has argued against the Labour Party's deceptive siren calls for measures of 'palliation', and for a revisionist policy of 'gradualism'. Reformism was not then, and is not now, the way to end capitalism.

Throughout the last century, the SPGB has shown the Labour Party to be as much of an enemy to the Socialist cause as other, openly capitalist, parties like the Tories and the Liberals. It is hard to say which did more harm to the Socialist cause, in the 20th century, the Labour Party or the Bolsheviks. For instance, in the SOCIALIST STANDARD (January 1906), on the eve of a general election, this was the SPGB's blunt assessment of the Labour Party (the LRC as it still was):

“... without principles or object, and with only the most loosely defined policy, [it] has always been nothing more than the happy hunting-ground... for the man on the make, the political quack and charlatan”.

If George Orwell was writing ANIMAL FARM now, at the end of the story, Blair, Mandelson, Prescott and co. would be among the greedy slobes seen guzzling at the table while the hardworking, hungry animals/workers watch - from outside.

What is the Labour Party for?

Back in the 1990s, Tony Blair, Gordon Brown and Peter Mandelson re-branded their party ‘New Labour’, with its policy relabelled the ‘Third Way’ and ‘stakeholder capitalism’, whatever that meant. Central to their ‘project’ was to get rid of Clause 4 in the party’s constitution. But there was a slight problem: what to put in its place?

The founders of the Labour Party had been anxious not to be thought of as Socialists. In 1918 the party had decided to have a constitution drafted for it by Sidney Webb, and this included Clause 4. It was because of this commitment in their constitution, plus their policy of nationalisation, that the Labour Party was able to pose as a ‘Socialist’ party. The wording of that 1918 Clause 4 deserves looking at:

“To secure for the producers by hand or by brain the full fruits of their industry, and the most equitable distribution thereof that may be possible, upon the basis of the common ownership of the means of production and the best obtainable system of popular administration and control of each industry and service”.

But there are problems with this. As Socialists pointed out at the time, if you give *“the full fruits of their industry”* to the workers, what is to become of the rest of the community, the sick, the handicapped - all those too old, too young or too infirm for work? And to talk of *“the producers by hand or by brain”* is utter nonsense: manual workers cannot function unless they use their brains, and non-manual workers do not operate merely by ivory-tower thinking. Even doing abstract physics, you would need to be able to use your hands to write notes, to turn the pages of a book, or to use a computer.

What was missing from this Clause 4 was any reference to *“democratic control by and in the interest of the whole community”*. That omission cannot have been accidental.

The SPGB’s very clear definition of Socialism, echoing that of William Morris and the Socialist League (THE MANIFESTO OF ENGLISH SOCIALISTS, 1893), had been in use since 1904, and was well known.

Labour’s 1918 Clause 4 was re-drafted ten years later to refer to *“common ownership of the means of production, distribution and exchange”*. But anyone using their grey matter for a moment would see that this too was nonsense.

What need is there of money as a *‘means of exchange’* in a society based on *“common ownership of all the means of production and distribution”*? Where the means of production would be owned in common, so too would be all the products, which would mean that there would be no need for any *“means of exchange”*.

Socialism would mean an end to buying and selling, or even barter. Distribution would be based on the clear and simple principle of *“from each according to their abilities, to each according to their needs.”*

What of ‘New’ Labour’s new improved Clause 4? Tony Blair’s 1995 lengthy re-write of Labour’s Clause 4 was even worse than the earlier versions:

“A dynamic economy... in which the enterprise of the market and the rigour of competition are joined with the forces of partnership and co-operation to produce the wealth the nation needs”.

From this painfully turgid prose, some words do stick out. *“Market”*, *“enterprise”*, *“competition”*: these would appeal, in a dog-whistle way, to so-called Middle England, code for business interests, and the more affluent

workers.

This new Clause 4, which speaks of “*the wealth the nation needs*”, echoes the title of Adam Smith’s book, THE WEALTH OF NATIONS, the free market economists’ bible. There was nothing at all in Blair’s rewrite of Clause 4 to suggest any wish to change society, or even to represent the interests of the working class, of labour *versus* capital, of unions against employers

(To be concluded in Socialist Studies 79)

THE SINS OF THE FATHER

Ralph Miliband, father of Ed and Dave, was one of those hundreds of intellectual left-wingers active in the 1960’s and 1970’s who wasted their time in and out of the Labour Party mistakenly believing it could be “*Socialist*”. It was and will always remain a capitalist party although Professor Miliband came close to recognising this fact when he wrote: “*the belief in the effective transformation of the Labour Party into an instrument of socialist policies is the most crippling of all illusions to which Socialists in Britain have been prone*” (Ralph Miliband SOCIALIST REGISTER 1976). Well, not the Socialists of the S.P.G.B. Since the formation of the labour Party in 1906 we have never been under the illusion that the Labour Party is anything more than a Party of business and the rich.

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Cartoon Stereotypes

There is an internet cartoon depicting an unassuming middle-aged man wearing a tee-shirt with the legend “*white, heterosexual male*” targeted by someone holding a rifle. The finger on the trigger of the rifle is held one-after the other by feminists, ethnic minorities; gay, transgender and lesbian activists; assorted environmentalists and groups with various forms of disability. They all appear to know who the enemy is. And they have books and pamphlets produced by cultural diversity consultants to reinforce their prejudice against this maligned cartoon stereotype.

What of the cartoon capitalist? He is always white, male and heterosexual. He is either Mr Burns in THE SIMPSONS, an elderly gentleman straight out of the board game, Monopoly; with top hat, monocle and evening dress, or someone holding a bag of money, with a large cigar in his mouth looking faintly Semitic. Workers are not introduced to these stereotypes when attending equal opportunity awareness courses. The capitalist is never represented as female, black, gay or disabled. All very convenient for promoting the interests of one section of the capitalist class against another.

For socialists the enemy is not the white, heterosexual male. The stereotype is a fictional construct. What should be the focus of attention for workers are class, class relationships, class interest, class solidarity, and class struggle. Class is a social relationship; a class who own the means of production and a class who are excluded from producing what they need and who are instead forced to sell their ability to work for a wage and a salary. As an exploited class workers have no interest in common with the capitalist class whether they are white, black, male, female, gay or disabled.

Social wealth is produced by the working class. Workers produce more than they receive in wages and salaries. As a class they have identical interests with other workers whatever their ethnicity or sex. Rather than blame fictional cartoon characters workers should understand that the problems they face derive from capitalism. Capitalism can never be conflict free. And capitalism exploits workers no matter what their background, where they were born, their education, sexuality or gender. Social problems like ethnic prejudice, sexism and homophobia will remain social problems as long as workers support capitalism and believe in the myth of an equitable and fair society based on the profit system. And stereotypes divide the working class. And if the “*enemy*” is depicted as “*the white, heterosexual male*” it must include millions of workers. However, there are only two classes in society; capitalists and workers. The power in society resides with the capitalist class not fictional stereotypes. The exercise of social power and control is a class issue, not one of personal identity.

Crass Protest or Class Struggle

What of the capitalist left in relation to the cuts in government spending?

They see the cuts as a means to recruit non-socialist members of the working class to their organizations.

On the day of the Coalition's first budget the Socialist Workers Party and other assorted Trotskyists were outside Downing Street gates shouting out slogans.

One banner claimed the "*Right to work*". There can never be a right to work under capitalism. Workers are only employed if it is profitable to do so.

Another banner said "*Stop the cuts*" but the cuts have already begun.

And yet another said "*Tax the rich*". Well the rich are taxed but many have clever accountants. Alistair Darling's taxation of banker's bonuses was, by his own admission a failure. It is the capitalist's social system it is they who benefit from the social wealth produced. But how much tax they have to pay is for them and their politicians to squabble about; it does not concern the working class.

What you did not hear is any protester saying "*abolish capitalism and establish socialism*". That is because the capitalist left are not in the business of establishing Socialism. The SWP pursue any worker's grievance as the spark for insurrection: First fuel up the anger from street protests or strikes then on to the barricades and the imposition on workers of leaders from the SWP central council (when they are not fighting and expelling each other), the setting up of workers councils and finally the establishment of a State capitalist dictatorship with its secret police, political prisons and firing squads.

The Socialist Party, once known as Militant, was also there calling for the Nationalisation of top 40 companies and banks. This would merely retain capitalism and the exploitive wages system. State capitalism is not Socialism. They also wanted to "*defend our public services*". However, they forget that they are not "*our*" public services. They are an insurance policy for the capitalist class which they pay for out of their taxes.

The Socialist Party in fact has a whole menu of social reforms in a desperate bid to gain attention from workers. It parasitically feeds off every problem facing the working class. What it does not do-because it has no understanding of Socialism itself-is how to resolve these myriad of social problems in a comprehensive way once and for all.

Not one of these capitalist organizations sets out to explain capitalism to the working class; how and why it exploits them and the necessity to replace private property ownership with common ownership of the means of production and distribution by all of society. In short they do not advocate the urgent need for workers to become Socialists and work politically for the establishment of Socialism. They believe workers are too stupid to understand capitalism.

The Trade Unions are no better. They want to accommodate themselves in a capitalism that works for the working class. It is sheer fantasy. Typical of the leaders of trade unions is Bob Crow, the general secretary of the RMT rail union.

The RMT has tabled a motion for the September TUC conference urging: "*co-ordinated strike action and national demonstrations*" against the government's cuts.

Mr Crow said: "*The TUC has to be the launch pad for the fight back against the coalition government's decision to launch an all-out class warfare through their unprecedented attack on our communities, public services, welfare state and transport system*" (BBC NEWS 3rd August 2010).

However, they are not “*our*” public services. It is not “*our*” welfare State and it is not “*our*” transport system.

Capitalism works for the capitalist class not for workers and trade unions. The institutions of the capitalist State are there to support the capitalist class not workers.

The Socialist Party of Great Britain has no leaders. We want workers to understand and reject capitalism, to become Socialists and establish Socialism world-wide. Yes, we realize workers have to struggle against employers to keep them at bay but after two hundred years haven’t workers struggled long enough. There do not have to be capitalists and capitalism. There do not have to be the effects of capitalism. Meanwhile, the case for Socialism is both compelling and necessary.

We believe the case for Socialism is within the grasp of workers prepared to think for themselves. That is the answer both to the anti-working class elitism of the capitalist left, the poverty of thinking currently found in trade unions and the reactionary conservatism of Cameron’s government.

The Socialist Party of Great Britain Vindicated

In the Socialist Party of Great Britain’s pamphlet “BEVERIDGE RE-ORGANIZES POVERTY”, published in 1943 the Socialist position on the so-called Welfare State was recorded and has been vindicated over time.

As for the motive of the reforms, the pamphlet quoted this remark from the report:

“...each individual citizen is more likely to concentrate upon his war effort if he feels his government will be ready in time with plans for that better world” (p. 171 BEVERIDGE REPORT).

Quintin Hogg, MP, when the Beveridge Report was being discussed in Parliament had this to say:

“Some of my friends seem to overlook one or two ultimate facts about social reform. The first is that if you do not give the people social reform they are going to give you social revolution...” (Parliamentary Debates, 17th February, 1943 Col. 1818 quoted in SPGB pamphlet loc. Cit.).

Of course Quinton Hogg did not mean “*social revolution*” in the way Socialists understand the term. He meant, as he said, “a series of dangerous industrial strikes”, social unrest and riots. He did not mean the establishment of common ownership and democratic control of the means of production by all of society.

The so-called Welfare State was also intended by its advocates to be more efficient, cost less and be more economical in administration than previous schemes.

As for the employers, the benefits of the proposed Welfare State were clearly spelt out:

“It is to the interest of employers as such that the employees should have security, should be properly maintained during the inevitable intervals of unemployment or sickness, should have the content which helps to make them efficient producers” (BEVERIDGE REPORT p. 109).

A leading textile manufacturer, Samuel Courtauld said Welfare Provision would:

“...ultimately lead to higher efficiency among (workers) and a lowering of production costs” (MANCHESTER GUARDIAN Feb. 19th 1943, see SPGB op. cit. p.11).

In contrast to some of the workers euphoria for the Welfare State the SPGB said at the time:

“We earnestly ask workers to consider whether a system that can offer them nothing better than a miserable pittance in times of ill-health and unemployment should not be changed without delay”.

In another pamphlet: FAMILY ALLOWANCES: A SOCIALIST ANALYSIS, (published in the same year) the Socialist Party of Great Britain stated:

“In support of family Allowances advocates claim that the introduction will abolish a major part of poverty, on the ground that the principal cause of poverty is the possession of young families” (p3.).

The SPGB went on to say:

“We state immediately that no scheme for social reform can remove this poverty endured by the working class. The poverty of the working class is as constant a condition of Capitalism as the never ending flow of pettifogging schemes for the alleviation of poverty which the workers are asked to support (loc cit p3).

Socialists do not have to invent statistics to show the failure of capitalism to meet the needs of all society. END CHILD POVERTY, one of dozens of child poverty charities, recently gave a list of statistics on children living in poverty. However the statistics gave the impression that only a minority of children within the working class live in poverty. This is not the case. The official definition of poverty does not take into account of the fact that all working class children are by definition *“living in poverty”*.

Poverty is in fact something all workers and their families share in relation to the capitalist class whose ownership of the means of production allows them to live a life of privilege and comfort. And END CHILD POVERTY does not argue that the only solution for the end of child poverty is the establishment of Socialism. The charities exist, so they claim *“to do something now”* yet these problems remain to inflict one generation of workers after the next because the capitalist class dictate that means of production is used for profit not to meet human needs.

A little thought will show how capitalism, besides ensuring that workers and their families stay poor, need them to be poor. If workers had enough to live decent lives without having to sell their mental and physical energies to employers, then the profit system could not function –for who would seek employment?

Charities, like END CHILD POVERTY, while highlighting the failure of capitalism to meet the need of all society refuse to accept the reality of the profit system. Charities refuse to accept that to solve child poverty along with all the other problems facing the working class requires workers to take conscious political action to establish Socialism. Charities are an impediment to resolving the issue of poverty because they erroneously believe that poverty can be ended by retaining the profit system. It can't.

And whereas Free Market economists –who neither understand or want to understand why free-markets were replaced with regulated markets throughout the 19th and 20th centuries by capitalist politicians and governments, including Tory ones, - want to make the so-called Welfare State more competitive and efficient in order to bring down government spending and taxation thereby increasing the profits going to employers, Socialists take an altogether different view.

The poverty of the working class is due to the private ownership of the means of production by a minority employing class. Thrift, self-reliance and a minimal welfare State advocated by the free market institutions that advise the conservatives are no more relevant to the interest of the working class than the failed Welfare State first constructed from the post-Second-World consensus following Beveridge.

Socialism alone can end that poverty through the common ownership and democratic control of the means of production by all of society; that production is solely for use based on the maxim; from each according to ability to each according to need. The so-called *“Welfare State”* cannot solve the poverty problem of the working class.

As we rightly concluded at the time, and which events have proven correct:

“The Beveridge proposals will not solve the poverty problem of the working class. They will level the workers’ position as a whole... (it) is not a “new world of hope”, but a redistribution of misery” (loc. cit. p20).

And that *“redistribution of misery”* will continue until the working class replace capitalism with Socialism. Only

socialism can offer a new world of hope.

CAPITALISM IS NOT FAIR

Marx wrote in *VALUE, PRICE AND PROFIT* that it was a conservative doctrine to believe capitalism could ever be “fair”. He suggested to the workers they give up their demands for “fair wages” and organise for the **abolition of the wages system**. Wages cannot be fair any more than you can have a “just wage”. The capitalists always start with an advantage; they own the means of production. The wage comes out of the conditions of capitalism not from a book of ethics or fair play. Workers get paid around their subsistence requirements to reproduce themselves as an exploited class and have to struggle, when trade conditions are in their favour, for more money. So for the TUC to bleat on about “unfair cuts” leading to job losses (BBC NEWS 15.09.10) shows a conservative and reactionary frame of mind. Capitalism can never be fair. Trade Unionists and workers generally should recognise that capitalism can never work in their interest. They should, instead, take heed of Marx’s conclusion about the wages system and **ABOLISH IT**.

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The Misery of Capitalism

In 1985, the free market economist and cheerleader for Ludwig von Mises and the Austrian school of economics, Steven E Plaut, published a book “THE JOY OF CAPITALISM” in which he praised the profit motive as the central driving force of the economy.

THE JOY OF CAPITALISM is supposed to be a parody of the book THE JOY OF SEX written by the anarchist, Alex Comfort. Mr. Plaut replaces making love with the pursuit of profit. On the cover of the book the bed is empty; an opened *Wall Street News* is strewn across an empty bed to signify for the reader where the real action is; trading floors, stocks and shares, derivatives and money capital.

For Plaut capitalism is a joy. You would think that this meant he was a capitalist red in tooth and claw. But he is not. He is an academic; a lecturer in economics at the Technion-Israel Institute of Technology. He has never run a business; never had to experience the pain of competition nor the unpredictability of unemployment. In fact there is a huge gulf between the abstract theory of Plaut’s book and the reality of capitalism experienced by the working class. The gulf is between fantasy and reality. THE JOY OF CAPITALISM is merely fantasy economics.

The source of the worker’s misery under capitalism is not so much unemployment but employment, class exploitation and the wages system, the very conditions politicians, academics and journalists say workers should be grateful for.

It is; of course, very difficult to formulate an objective definition of what is “misery”. Some economists have had a go. The misery index (www.miseryindex.us) was initiated by the economist Arthur Okun, an adviser to President Lyndon Johnson in the 1960’s. It is simply the unemployment rate added to the inflation rate. It is assumed that both a higher rate of unemployment and a worsening of inflation both create economic and social costs for a country. The highest the US Misery Index has been is 21.98 per cent in 1980; the lowest at 2.97% in July 1953. It stood at 11.4 per cent under Bush (September 2008) and in December 2009 it was 12.72 under Obama.

Not very helpful at all. The index is a national gauge of misery and is not class specific. Another attempt was made to construct a misery index. THE HUFFINGTON POST produced one of their own:

“To formulate our index, we gave equal weight to the broad unemployment numbers and the combination of the other seven metrics. Thus, we added the broad unemployment U6 statistic to the average of the seven other statistics” (June 10th 2010).

They compared the current crisis and depression to previous depressions, including 1990-1991 and the 2000-2001 dot-com collapse. They concluded that the traditional Misery Index for the current depression is only 8.1, below the index for the 1991 downturn and barely higher than the 2001 dot-com collapse. But the Real Misery Index for 2009 - at 29.9 - is almost three times higher than the index for 2001.

Nevertheless both attempts at formulating an objective misery index ignore the misery experienced by workers under capitalism's private ownership of the means of production and the anti-social pursuit of profit.

To have an objective misery index of the wages system we have to turn to Marx. Marx set out an objective description of working class conditions under capitalism. Marx linked human misery as a class issue with wage exploitation and the wages system as the cause. Misery for workers under capitalism was for Marx class specific.

Marx located the misery of the working class in the process of capital accumulation. In CAPITAL VOLUME 1, Chapter 25 of *The General Law of Capitalist Accumulation* he showed how the misery of the working class over the whole of their lives derived from class exploitation and capital accumulation.

First, there is the misery associated with employment and unemployment. Second, there is the misery of the working class forced into employment or the wages system. And third, there is the misery associated with class relations and class exploitation.

Of capital accumulation Marx wrote that it:

"...makes an accumulation of misery a necessary condition...Accumulation of wealth at one pole, is therefore, at the same time accumulation of misery, the torment of labour, slavery, ignorance, brutalization and moral degradation at the opposite pole...CAPITAL VOLUME 1 Ch 25 The General Law of Capitalist Accumulation p799 Penguin ed. 1976

Critics of Marx claim that his prediction of *"ever increasing misery"* under capitalism has been refuted by experience. They were wrong.

Marx was in fact referring to relative misery not absolute misery. And this misery was related to the condition of the working class in relation to capital accumulation.

Marx did not see misery for the working class being a natural condition. Workers had the alternative to end capitalism and be free from its social problems. This has not stopped Marx's very careful presentation of capitalism's law of motion through class struggle being ripped out of context, distorted and trivialized.

Here is what Marx said:

"Factory work exhausts the nervous system to the uttermost; at the same time, it does away with the many-sided play of the muscles, and confiscates every atom of freedom, both in bodily and in intellectual activity. Even the lightening of the labour becomes an instrument of torture, since the machine does not free the worker from the work. But rather deprives the work itself of all content. Every type of capitalist production, in so far as it is not only a labour process, but also capital's process of valorization, has this in common, but it is not the worker who employs the condition of his work, but rather the reverse, the conditions of work employ the worker" (CAPITAL VOL 1 Ch. 15 Machinery and Large Scale Industry p. 548 Penguin 1976)

In making class exploitation and the alienation of work under capitalism his main focus of attention Marx rejected Lassalle's iron law of wages (see THE CRITIQUE OF THE GOTH A PROGRAMME (1875).

Lassalle did not believe real wages could go up but would always revert to a bare subsistence level. For Ferdinand Lassalle, a rise in population caused an increase in the working class population thereby forcing a fall in wages back to a subsistence level. Marx took an altogether different view. Exploitation was the key issue for Marx; not that real wages went up or down.

In VALUE, PRICE AND PROFIT Marx explained that the value of any commodity was determined by the amount of socially necessary labour contained within it. What was commonly considered the value of labour was, in fact, the value of labour power, the capacity of the labourer to work. Like any other commodity, the value of labour power was determined by the quantity of labour needed to reproduce it.

In other words, the value of labour power was the value of the commodities needed to sustain the worker and his family.

The origin of surplus value, Marx explained, lay in the fact that the value of labour power was vastly different from the value which the worker added in the course of the working day. Whereas the average amount of necessary goods sustain the worker and his family might require six hours for their production, the labourer engaged in 9 hours of work for the capitalist. This difference formed the basis of the unpaid labour or surplus value extracted from the worker in the course of the working day.

On the basis of this analysis, Marx explained that an increase in wages would not bring about a general increase in commodity prices. Rather, it would alter the distribution of the social produce between profits and wages. Consequently, between the maximum level of profits (determined by the minimum wage level) and the minimum level of profits Marx wrote "*an immense scale of variations is possible*". The actual level of wages at any point in time is determined by the continuous struggle between capital and labour, with the matter resolving itself – to quote Marx again from VALUE, PRICE AND PROFIT-"*into a question of the respective powers of the combatants.*"

The idea that increasing misery accompanies the growth of capitalism "*whether the worker receives better or worse payment*" occurs in CAPITAL, where Marx declares that: "*in proportion as capital accumulates, the lot of the labourer, be his payments high or low, must grow worse*" (CAPITAL VOLUME 1).

And capitalism can never satisfy the worker. This point can be considered more forcefully by an analogy Marx drew in an early work WAGE LABOUR AND CAPITAL (1847).

Marx said:

"A house may be large or small; as long as the neighbouring houses are likewise small, it satisfies all social requirement for a residence. But let there arise next to the little house a palace, and the little house shrinks to a hut. The little house now makes it clear that its inmate has no social position at all to maintain". MARX, WAGE LABOUR AND CAPITAL (1847).

The above quotation is not about rising or falling wages but how workers live in capitalism and how they could live within common ownership of the means of production and distribution by all of society. The capitalist class always enjoys the best whether wages are high or low. Under capitalism the workers only ever gets second best.

Critics of Marx created a straw doll to beat. Marx never held that wages were going to fall continuously and workers were going to become poorer and poorer anymore than he said that capitalism would collapse. The theory of increasing misery associated with falling wages was held by Lassalle not Marx.

So what objective factors constitute objective features of working class misery?

In chapter XXV of CAPITAL Marx lists out a number of factors that constitute misery for the working class at the stage he had reached in discussing capital accumulation:

- * Domination of capital over labour
- * Exploitation
- * Mutilation of the labourer during employment "*into a fragment of a Man*".
- * Destruction of any "*charm in his work*".

- * Transformation of work “*into hated toil*”.
- * Alienation of the worker’s intellectual potential in the productive process where the application of science turns work into an oppressive force.
- * Distortion of the conditions under which he works
- * A mean despotism forced onto the worker during the labour process
- * Transformation of life-time into employment.
- * The family, wife and children, forced into employment to make ends meet.

Work, like sex, is one of life’s prime wants. It is not found by making money or in being employed. The joy of work is denied by wage labour, employment and class exploitation.

Marx attacked Adam Smith who treated the expenditure of labour time as something indulged in by fools and horses –“ *merely as the sacrifice of rest, freedom and happiness, not as also man’s normal life-activity*” (CAPITAL VOL.1 *The Commodity*, Ch. 1, Section 3 footnote p. 138 Penguin 1976)

Under capitalism work no longer fulfils a vital role in the lives of workers. The division of labour under capitalism “...*attacks the individual at the very roots of his life...*” (CAPITAL VOL. 1 ch 14: *The Division of Labour and Manufacture* Penguin 1976 p. 484). It converts the worker into a “*crippled monstrosity*” (loc cit p. 481). Work should be a joyful experience. That employment is so despised by workers says more about the joylessness of capitalism than it does about the creativity and joy of work itself.

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Extreme Politics

Today’s mainstream politics is generally infantile and boorish. Personalities dominate newspaper and television coverage rather than the failure of capitalism on a global scale to meet the needs of all society. The reasonable and practical case for Socialism does not get a look in.

To ensure only a very narrow field of politics is ever written about the media use a convenient metaphor; the political field divided into a middle ground and various extreme positions away to the right and left. So on one side there is the political Left. They are referred to as the *centre left*, *soft left*, *hard left*, “*loonie*” *left*, *extreme left*, and the *granite left* the last because there is nothing denser than granite. The same adjectives are attributed to the so-called political right.

This allows the ideas and beliefs which the capitalist media generally support to be located in the mythical centre ground; apparently fair-minded, inclusive, pluralistic and all the other “*hurrah*” words by which to describe this politics.

Socialists are often derided as extremists or located somewhere along the spectrum of left-wing parties. This is incorrect. Socialists have a very simple proposition. The social problems facing the working class majority are caused by capitalism. Workers have the capability of running society in their own interests. They can organise consciously, politically and democratically to replace production for profit with production for social use.

In short the socialism pursued by the Socialist Party of Great Britain is not located on the field occupied by capitalist politics at all. When entering the field of political action in 1904 the S.P.G.B. set up its banner on our own principled and distinct ground from which to oppose all other political parties “*whether alleged Labour or avowedly capitalist*”

(Clause 8). In fact there is nothing liberal and cuddly about “*centre politics*”. The Condem government, for example, offers no protection from economic crises, unemployment and social alienation. The capitalist parties, Labour and Tory, when in power have to pursue war and all the capitalist parties, including the Greens support the exploitive wages system and act in the interest of the capitalists against the workers.

As for the fringe capitalist parties they too support capitalism. They offer the working class nothing but the wages system which is precisely what the Left’s demand for “*The Right to Work*” or “*nationalisation of the top 200 companies*” amounts to. The politics of the capitalist Left has nothing to do with Socialism. The case for Socialism is not extreme. Socialism is practical, reasonable and attainable once a majority of workers are persuaded of its urgent necessity.

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Upsetting the Applecart

The Labour Party’s lengthy leadership election ended with an unexpected result. Ed, the wrong Milliband, nominated by some large trade unions but without the backing of most Labour Party members came out ahead of his older brother, David. But the Labour Party had no sooner found they had elected Ed Milliband as their new leader, than many of them were asking who he was, what he stood for, and in what direction he intended to take their party. This does not say much for their supposed need for a ‘*leader*’.

And at about the same time, the other side of the world, in North Korea, the elderly and sickly dictator nominated his youngest son – a young man never previously mentioned – to become a four-star general, and his likely successor. The Korean party faithful must have been just as surprised as the Labourites.

For the last few years, the British mass media have been obsessed by one political party after another searching for a new leader – alternating with lengthy periods of worrying as to whether the various leaders were really able to cope.

So why is it that political parties seem to feel it necessary to have a ‘*leader*’ at all? Socialists in the SPGB for over a century have rejected the need to line up behind ‘*leaders*’.

Our argument is that since we are united in principle on what we aim to do, why Socialism is needed and how it can be achieved, and since all members are expected to contribute according to their abilities, a democratic Socialist party has no need to elect or appoint any leader to determine its policy. In our party, it is the members who decide party policy.

Yet there are today some scientists who claim that their findings in evolutionary psychology suggest that human evolution, from the “*earliest days of our species*”, divides us all into leaders and followers: “*our thesis is that leadership and followership are adaptive behaviours*” (Mark van Vugt and Anjana Ahuja, NEW SCIENTIST, 4 September 2010).

But they recognise that, even if this was the case in the dim and distant past, when strong he-men were needed to head a tribe, today’s human species lives in very different conditions:

“... *there is a mismatch between the way we lead and follow today, and the way our ancestors operated. Where our forebears clustered in small groups on the African savannah, half of the world’s population now lives in cities. Where leadership was dispersed among the many, it is now concentrated in the hands of a corporate and political elite* (ibid.)”.

What’s more, these scientists argue that the whole selection process which leads to A or B, an Ed Milliband or a David Milliband, emerging as the next ‘leader’ is demonstrably irrational:

“*These studies back up our theory that many leaders owe their position not to calculated rational decisions on the*

part of the electorate or interview board, but to their ability to push a “leader button” in the human psyche (ibid.)”.

Apparently, a lot of this has to do with being male, tall, and square-jawed. - nothing to do with intelligence, ability, honesty or policy. Clearly it is high time for the working class to grow up, adapt to the modern age, and reject the idea that they should behave like a lot of sheep or a troupe of monkeys.

Even hunter-gatherer communities that have been studied show that any ‘leadership’ is “*fluid rather than fixed*”, and based on recognised ability “*in a specific domain, from herbalism to hunting*”. And what’s more:

“Studies of hunter-gatherer societies also show that hierarchies are relatively flat and wealth disparities minimal. One tribe is documented as having no concept of personal property and, correspondingly, theft.... (ibid)”.

It seems that evolutionary psychologists have again stumbled on something which was already known in the 19th century, when Lewis H Morgan wrote of his researches in ANCIENT SOCIETY, and Marx and Engels followed suit.

However unlike these modern scientists, Morgan and Marx recognised the *historical* importance of the way people managed to scrape a living: the development of their technologies paralleling the development of their social relations. It follows that, in our modern world, with its sophisticated technology and global networks for communication, travel and transport, the notion that we can relate or kowtow to any individual ‘leader’ is simply obsolete.

Time now to move on, surely? When more than half of modern humans live in cities, and nine-tenths of us are exploited by this unequal, competitive, class-divided capitalist system, it is clear that our social relationships are very different from those of the small tribes of the African savannah. They may well have found it useful to appoint tribal leaders, whether for their known hunting or other specific skills, but in modern society, that is no longer relevant. And leadership will have no place in Socialism where people will think and act for themselves.

THE GROWING INDUSTRIAL RESERVE ARMY OF THE UNEMPLOYED

Raymond Torres, author of the United Nations International Labour Office report, told a news conference that job losses since the economic crisis started in 2008 had totalled some 30-35 million. The ILO has forecast global unemployment this year of 213 million, a rate of 6.5 per cent (DAILY TELEGRAPH 1.10.10). What a sheer waste of human potential!

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The Socialist Alternative

We are often told by supporters of capitalism that “*There is no alternative*”, TINA for short. This is the dogmatic pronouncement of Thatcher/Blair that capitalism is here to stay and will last forever.

However, this is not a refutation of Socialism, merely wishful thinking

These critics overlook why the class struggle takes place. Marx showed that the development of the forces of production are constrained by capitalism’s system of class relations which ensures that production only takes place for profit, not to meet human needs.

In preventing the forces of production developing and preventing the potential of abundance from taking place so that all the needs of society are met capitalism generates class conflict and class struggle around conflict of interests and a political consciousness in the working class necessary for political action and socialist revolution.

The capitalist politicians and media argue that there is no logical and coherent alternative to global capitalism, buying and selling, the profit motive and the market. But then, supporters of capitalism could never accept an alternative to capitalism because they refuse to think outside their capitalist skin.

The Labour Party says that capitalism works - although they left office with unemployment higher than they first were elected in 1997.

Labour politicians are at ease with the filthy rich. They enjoy sitting with them in their smart restaurants; taking their money for a house at a desirable address and all the other benefits tossed at capitalist politicians by their paymasters.

Of course capitalism works if you are rich and live a life of privilege and comfort.

Of course, capitalism works if you live off the unearned income of rent, interest and profit.

And, of course, Capitalism works, but only for the capitalist class who are successful. We do not hear about the failure of capitalism but it exists in its bankruptcy, squalor, poverty and mean mindedness that sees only profit as a virtue.

But for the majority of the world's population capitalism does not work in their interest. They do not own the means of production and therefore cannot take control of their lives to develop as free men and women.

Socialism is a practical alternative to capitalism. What could be more reasonable than production just taking place to meet human need? Socialism, therefore, is a logical and coherent alternative to capitalism.

However, Socialism will not come about without conscious political action. History does nothing. It is the action of men and women which changes history.

First, Socialism has to be established world wide on the basis of a majority understanding, consent and active participation. This does not mean that socialism will have to be established in every single last country of the world nor do socialists have to wait for the very last Labour Party member to become a socialist. Socialism is dependent upon a world wide socialist majority gaining control of the machinery of production, including the armed forces to replace production for profit with production for use.

Second, production for social use would have to take place within the framework of common ownership and democratic control. This necessary means social, co-operative and voluntary labour of free men and women.

Third, Socialism requires democratic planning, delegation, open and transparent flows of information and decision making.

Fourth, Socialism means the administration of things and not of people. Men and women in Socialism will make their decisions democratically both in terms of production and distribution and the affairs of society. There will be no leaders.

Fifth, Socialism means that production and distribution will just take place to meet human need. And one of these important needs is creative labour and work.

And sixth, Socialism would work from the principle: *“from each according to their abilities, to each according to their needs”*. What could be simpler than just producing to meet the needs of people?

The future of Socialism is a future that is only a revolution away; a revolution in political thinking, a revolution in political action and a revolution in political realisation.

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Object and Declaration of Principles

Object

The establishment of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interest of the whole community.

Declaration of Principles

THE SOCIALIST PARTY OF GREAT BRITAIN HOLDS:

1. That society as at present constituted is based upon the ownership of the means of living (ie land, factories, railways, etc.) by the capitalist or master class, and the consequent enslavement of the working class, by whose labour alone wealth is produced.
2. That in society, therefore, there is an antagonism of interests, manifesting itself as a class struggle, between those who possess but do not produce and those who produce but do not possess.
3. That this antagonism can be abolished only by the emancipation of the working class from the domination of the master class, by the conversion into common property of society of the means of production and distribution, and their democratic control by the whole people.
4. That as in the order of social evolution the working class is the last class to achieve its freedom, the emancipation of the working class will involve the emancipation of all mankind without distinction of race or sex.
5. That this emancipation must be the work of the working class itself.
6. That as the machinery of government, including the armed forces of the nation, exists only to conserve the monopoly by the capitalist class of the wealth taken from the workers, the working class must organise consciously and politically for the conquest of the powers of government, national and local, in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and the overthrow of privilege, aristocratic and plutocratic.
7. That as all political parties are but the expression of class interests, and as the interest of the working class is diametrically opposed to the interests of all sections of the master class, the party seeking working class emancipation must be hostile to every other party.
8. The Socialist Party of Great Britain, therefore, enters the field of political action determined to wage war against all other political parties, whether alleged labour or avowedly capitalist, and calls upon the members of the working class of this country to muster under its banner to the end that a speedy termination may be wrought to the system which deprives them of the fruits of their labour, and that poverty may give place to comfort, privilege to equality, and slavery to freedom.

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